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STATE FOR I/RF, PA/PR/FPC/W, IIP/G/EA, EAP/PD, R/MR, EAP/J, EAP/P, PM; USTR FOR PUBLIC AFFAIRS OFFICE; TREASURY FOR OASIA/IMI; SECDEF FOR OASD/PA; CP BUTLER OKINAWA FOR AREA FIELD OFFICE; PACOM HONOLULU FOR PUBLIC DIPLOMACY ADVISOR

E.O. 12958: N/A
TAGS: OIIP KMDR KPAO JA
SUBJECT: TOKYO MEDIA REACTION - 7TH ANNIVERSARY OF
9/11, U.S-INDIA NUCLEAR COOPERATION, USG BAILOUT OF
FANNIE MAE AND FREDDIE MAC, AND GEORGIA

- 11. LEAD STORIES: Front-page items on Wednesday morning included U.S. media repots on the health of North Korean leader Kim Jong Il.
- 12. "Creating New Solidarity" The liberal Asahi editorialized (9/10): "...Where has the worldwide solidarity created in the wake of 9/11 gone? The Bush administration, which advocated the simplistic dualism of viewing countries either as friend or foe, can take much of the blame... U.S. presidential candidates Sen. Obama and Sen. McCain have announced their strategies to reshape the war on terrorism. They have proposed, respectively, to withdraw from Iraq and to continue the ongoing operations there. However, what is fundamentally needed is the creation of common ground so that not only Japan and European nations but also Muslim nations, Russia, and China can take part. Military power is necessary, but the use of it should be reviewed. In order to eliminate breeding grounds for terrorism, it is necessary to provide nations with support that draws out their latent strength."
- 13. "Exemption Will Undermine NPT Regime" The moderate Yomiuri argued in an editorial (9/10): "The Nuclear Suppliers Group (NSG), which consists of 45 nations including Japan, agreed unanimously to exempt India from its rules on the export of nuclear fuel and technology. India has developed nuclear weapons and has not signed the NPT. The NSG's decision removes restrictions on civil nuclear cooperation, overlooking India's possession of nuclear arms and effectively recognizing India as a nuclear power. The agreement violates the spirit of the NPT, which aims to prevent an increase of the number of nuclear powers. We cannot help but say that this is a serious mistake."

- ¶4. "Injection of Public Funds Not Enough" The moderate Yomiuri editorialized (9/10): "It appears to be an expression of determination to prevent a U.S.-originated financial crisis at any cost. The USG has decided to rescue Fannie Mae and Freddie Mac, two housing mortgage firms that have been hard hit by the subprime loan crisis... However, it is too early to conclude that the financial markets will begin to stabilize.... The situation does not yet warrant optimism."
- ¶5. "World Following Russia's Lead" The conservative Sankei contended in an editorial (9/10): "Russian President Medvedev agreed with his French counterpart Sarkozy that Russia will within a month withdraw its troops from all of Georgia except South Ossetia and Abkhazia. The move appears to be a first step toward a resolution of the dispute. However, this agreement only sets a deadline for the peace accord that Russia had already agreed to with the EU on August 12 but has failed to fulfill. It is problematic that no policy has been shaped to respond to Moscow's outrageous move to recognize the independence of South Ossetia and Abkhazia."

ZUMWALT